

Everbright-IDG Industrial Fund Completes Investment in iQIYI to Secure a Foothold in China's Fast-Growing Video Entertainment Industry

23 February 2017 - **China Everbright Limited** ("CEL", stock code: 165.HK) is pleased to announce that the Everbright-IDG Industrial Fund ("the Fund") under CEL has completed its investment in iQIYI, China's leading video entertainment brand through a new round of financing to raise a total amount of USD1.53 billion. Through the new investment, the Fund has further reinforced its leading position in the Internet and pan-entertainment sector by establishing a foothold in China's fast-growing video entertainment industry.

The Chinese video industry has witnessed phenomenal growth in the past few years. Fueled by the continued popularity of mobile Internet and a new wave of consumption upgrades in China, the demand for diversified and high-quality video content has continued to rise. As the leading video entertainment brand in China, iQIYI has focused on creating content IP supported by technology innovations to develop a considerable amount of high-quality original content in recent years, leading to explosive growth of Internet-enabled entertainment, including online variety shows, online dramas and online movies. In addition, it leads China's VIP paid membership services. According to the latest statistics from iResearch, a third-party data research institute, a monthly average of 481 million active devices are connected to iQIYI's repository of mobile videos, generating 5.579 billion hours of usage per month as of December 2016, up 20.08% and 27.18% respectively as compared with January 2016. While maintaining its No 1 position in the industry, iQIYI has recorded higher full-year growth than the industry average. Driven by its rapidly growing premium service, iQIYI now ranks 7th in terms of consolidated revenue among the Top 10 most popular apps in the world, the highest global ranking by revenue ever achieved by an Asian online video platform.

Everbright-IDG Industrial Fund completes RMB15 billion multi-currency equity investments across different countries in current 6-month period

The Fund is committed to creating the largest and most influential industrial M&A fund in China. Its participation in iQIYI's latest round of financing together with Baidu, Hillhouse Capital, IDG Capital and Sequoia Capital, represents the 10th investment project completed by the Fund in less than a year. Upon its inception in June 2016, the Fund has sprung into action swiftly making strategic plans. Thanks to the elite investment team jointly formed by CEL and IDG Capital, the Fund has performed strongly, securing accumulated equity investments estimated at RMB15 billion within less than a year, with a focus on financial technology, pan-entertainment and education, consumption upgrade, and high-end manufacturing. It has completed investment in 10 key projects, all equity investments, across various countries and currencies. Focusing on the long-term development of investees, the Fund has been deeply involved in the operation and management of its investees by leveraging the judgment and analysis of its professional investment team and its strong industry background, while helping them with upstream and downstream integration of platform resources across the industry chain so as to develop and cultivate bona fide industry champions.

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About China Everbright Limited

China Everbright Limited (“CEL”, stock code: 165.HK) is the largest cross-border investment and asset management platform of China Everbright Group Ltd. (“Everbright Group”). It is the second-largest shareholder of Everbright Securities (stock code: 601788.SH, 6178.HK), a strategic shareholder of China Everbright Bank (stock code: 601818.SH, 6818.HK), the controlling shareholder of the Hong Kong-listed China Aircraft Leasing Group Holdings Limited (stock code: 1848.HK), the largest shareholder of Shanghai Jiabao Industry & Commerce (Group) Co., Ltd (stock code: 600622.SH) and the second-largest shareholder of the Singapore-listed Ying Li International Real Estate Limited (stock code: 5DM. SGX). As at end-June 2016, CEL managed 33 funds with a total fundraising amount of more than HK\$67.8 billion. Everbright Group, the parent company of CEL, is a state-owned financial conglomerate with AUM of approximately RMB4,400 billion as at end-2016. For more information about CEL, please visit www.everbright165.com.

About IDG Capital

Established in 1993, IDG Capital is the first international venture capital company entering China market and has become a leading industry player in China. The company currently manages more than ten USD and RMB funds, covering companies in their early stages (venture capital), mid-to-late stages (private equity) as well as mergers and acquisitions (M&A), establishing sector platform with high potential to create platform and ecological chain advantages. IDG Capital has offices in cities including Hong Kong, Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou, Boston, Silicon Valley and more. IDG Capital has investments in a variety of sectors including internet, mobile internet, consumer goods, franchising service, new media, entertainment, education, clean energy and advanced manufacturing. Since 1993, IDG Capital has invested in more than 500 companies. The company has successfully exited from more than 120 invested companies through both initial public offerings (IPOs) and M&A, including Tencent, Baidu, Sohu, SouFun, Htinns, Homeinns, Ctrip, Qihoo360, CreditEase, Xiaomi, Legendary Pictures, Baofeng Technology, Wuzhen Tourism, Gubei Watertown, Meitu, bilibili and Mogujie.